NOTICE OF VIOLATION

California Safe Drinking Water and Toxic Enforcement Act

Re: Di (2-ethylhexyl) Phthalate (DEHP) in Toys March 24, 2008

This Notice of Violation is provided to you pursuant to and in compliance with California Health and Safety Code Section 25249.7(d).

- For general information regarding the California Safe Drinking Water and Toxic Enforcement Act, see the attached summary provided by the California EPA (copies not provided to public enforcement agencies).
- This Notice of Violation is provided by the Center for Environmental Health ("CEH"), 528 61st Street, Suite A, Oakland, CA 94609, (510) 594-9864. CEH is a nonprofit corporation dedicated to protecting the environment, improving human health and supporting environmentally sound practices. Michael Green is the Executive Director of and a responsible individual within CEH.

Description of Violation:

- The name and address of the violator is Panline USA, Inc., 251 Union Street, Northvale, NJ 07647.
- The violations have been occurring since at least March 24, 2005 and are continuing to this day.
- This Notice of Violation covers the "warning provision" of Proposition 65, which is found at California Health and Safety Code Section 25249.6.
- The name of the listed chemical involved in these violations is Di (2-ethylhexyl)
 Phthalate ("DEHP"), which is also known as Bis (2-ethylhexyl)
 Phthalate.
 Exposures to DEHP occur from use of the products identified in this notice.
- The specific type of products causing these violations is toys. The toys are made of and contain DEHP. Non-exclusive examples of this specific type of products are the Choo Choo Train Bath Stickers.
- Description of Exposure: Use of the products identified in this notice results in human exposures to DEHP. DEHP is contained in the toys. The routes of exposure for the violations are dermal absorption directly through the skin when consumers (especially children) touch, use, or handle the products, ingestion via hand to mouth contact after consumers (especially children) touch, use, or handle the products, and direct ingestion when consumers (especially children) place the products in their mouths during normal use. These exposures occur in homes and everywhere else throughout California where these products are handled or used. No clear and reasonable warning is provided with these products regarding the carcinogenic or reproductive hazards of DEHP.

Resolution of Noticed Claims:

Based on the allegations set forth in this Notice, CEH intends to file a citizen
enforcement lawsuit against the alleged violator unless such violator enters into
a binding written agreement to: (1) recall products already sold; (2) provide clear
and reasonable warnings for products sold in the future or reformulate such

products to eliminate the DEHP exposures; and (3) pay an appropriate civil penalty based on the factors enumerated in California Health and Safety Code Section 25249.7(b). If the alleged violator is interested in resolving this dispute without resort to expensive and time-consuming litigation, please feel free to contact CEH through its counsel identified below. It should be noted that CEH cannot: (1) finalize any settlement until after the 60-day notice period has expired; nor (2) speak for the Attorney General or any District or City Attorney who received CEH's 60-day Notice. Therefore, while reaching an agreement with CEH will resolve its claims, such agreement may not satisfy the public prosecutors.

Please direct any inquiries regarding this notice to CEH and its counsel Mark N. Todzo at Lexington Law Group, LLP, 1627 Irving Street, San Francisco, CA 94122, (415) 759-4111.

<u>CERTIFICATE OF MERIT</u> Health & Safety Code §25249.7(d)

I, Howard Hirsch, hereby declare:

1. This Certificate of Merit accompanies the attached sixty-day notice in which it is

alleged that the parties identified in the notice have violated Health & Safety Code §25249.6 by

failing to provide clear and reasonable warnings.

2. I am an attorney with the Lexington Law Group, LLP, and I represent the noticing

party, the Center for Environmental Health.

3. Members of my firm and I have consulted with one or more persons with relevant

and appropriate experience or expertise who has reviewed facts, studies or other data regarding

the exposures to the listed chemical that is the subject of the action.

4. Based on the information obtained through those consultations, and on other

information in my possession, I believe there is a reasonable and meritorious case for the private

action. I understand that "reasonable and meritorious case for the private action" means that the

information provides a credible basis that all elements of the plaintiff's case can be established

and the information did not prove that the alleged violators will be able to establish any of the

affirmative defenses set forth in the statute.

5. The copy of the Certificate of Merit served on the Attorney General attaches to it

factual information sufficient to establish the basis for this certificate, including the information

identified in Health & Safety Code §25249.7(h)(2), i.e. (1) the identity of the persons consulted

with and relied on by the certifier, and (2) the facts, studies or other data reviewed by those

persons.

March 24, 2008

Howard Hirsch

Attorney for CENTER FOR

ENVIRONMENTAL HEALTH

PROOF OF SERVICE BY MAIL

I declare that:

I am employed in San Francisco County, California. I am over the age of 18 years and not a party to the within cause; my business address is 1627 Irving Street, San Francisco, California 94122.

On March 24, 2008, I served true copies of the following documents:

NOTICE OF VIOLATION OF CALIFORNIA SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT;

CERTIFICATE OF MERIT; and

THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY (only sent to those on service list marked with an asterisks).

I placed a true copy of this paper in an envelope addressed to:

See Attached Service List.

I am readily familiar with my firm's practice for collection and processing of correspondence for mailing with the United States Postal Service, to wit, that correspondence will be deposited with the United States Postal Service this same day in the ordinary course of business. I placed the envelope containing the above-mentioned documents for collection and mailing on March 24, 2008, following the ordinary business practice.

I declare under penalty of perjury that the foregoing is true and correct, and that this declaration was executed on March 24, 2008, at San Francisco, California.

Signed:

Heather Love

District Attorney of Alameda County 1225 Fallon Street, Room 900 Oakland, CA 94612

District Attorney of Colusa County 547 Market Street Colusa, CA 95932

District Attorney of Contra Costa County 627 Ferry Street Martinez, CA 94553

District Attorney of Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney of Del Norte County 450 H Street, Ste 171 Crescent City, CA 95531

District Attorney of Amador County 708 Court Street, #202 Jackson, CA 95642

District Attorney of Butte County 25 County Center Drive Oroville, CA 95965

District Attorney of El Dorado County 515 Main Street Placerville, CA 95667

District Attorney of Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249

District Attorney of Fresno County 2220 Tulare Street, #1000 Fresno, CA 93721

District Attorney of Glenn County P.O. Box 430 Willows, CA 95988

District Attorney of Kings County 1400 West Lacey Hanford, CA 93230

District Attorney of Lake County 255 N. Forbes Street Lakeport, CA 95453

SERVICE LIST

District Attorney of Humboldt County 825 5th Street Eureka, CA 95501

District Attorney of Imperial County 939 Main Street El Centro, CA 92243

District Attorney of Lassen County 220 S. Lassen St., Ste 8 Susanville, CA 96130

District Attorney of Inyo County P.O. Drawer D Independence, CA 93526

District Attorney of Los Angeles County 210 W. Temple Street, Room 345 Los Angeles, CA 90012

District Attorney of Madera County 209 West Yosemite Avenue Madera, CA 93637

District Attorney of Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney of Marin County 3501 Civic Center Dr., Room 130 San Rafael. CA 94903

District Attorney of Mono County P.O. Box 617 Bridgeport, CA 93517

District Attorney of Mariposa County P.O. Box 730 Mariposa, CA 95338

District Attorney of Monterey County 230 Church Street, Bldg. 2 Salinas, CA 93901

District Attorney of Mendocino County P.O. Box 1000 Ukiah, CA 95482

District Attorney of Napa County 931 Parkway Mall Napa, CA 94559 District Attorney of Merced County 2222 "M" Street Merced, CA 95340

District Attorney of Nevada County 201 Church St., Suite 8 Nevada City, CA 95959

District Attorney of Orange County 401 Civic Ctr Drive West Santa Ana, CA 92701

District Attorney of Modoc County 204 S Court Street Alturas, CA 96101-4020

District Attorney of Placer County 11562 "B" Avenue Auburn, CA 95603

District Attorney of San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415

District Attorney of Plumas County 520 Main Street, Room 404 Quincy, CA 95971

District Attorney of San Diego County 330 West Broadway, Suite 1320 San Diego, CA 92101

District Attorney of Riverside County 4075 Main Street Riverside, CA 92501

District Attorney of San Francisco County 850 Bryant Street, Rm 325 San Francisco, CA 94103

District Attorney of Sacramento County 901 "G" Street Sacramento, CA 95814 District Attorney of San Joaquin County P.O. Box 990 Stockton, CA 95201

District Attorney of San Luis Obispo County 1050 Monterey St, Room 450 San Luis Obispo, CA 93408

District Attorney of San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney of San Mateo County 400 County Ctr, 3rd Fl Redwood City, CA 94063

District Attorney of Sierra County Courthouse, P.O. Box 457 Downieville, CA 95936

District Attorney of Santa Barbara County 1105 Santa Barbara Street Santa Barbara, CA 93101

District Attorney of Siskiyou County P.O. Box 986 Yreka, CA 96097

District Attorney of Solano County 675 Texas Street, Suite 4500 Fairfield, CA 94533

District Attorney of Santa Clara County 70 West Hedding Street, West Wing San Jose, CA 95110

District Attorney of Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95060

District Attorney of Sonoma County 600 Administration Drive, Room 212J Santa Rosa, CA 95403

District Attorney of Shasta County 1525 Court Street, Third Floor Redding, CA 96001-1632 District Attorney of Stanislaus County 800 11th Street, Room 200 PO BOX 442 Modesto, CA 95353

District Attorney of Sutter County 446 Second Street Yuba City, CA 95991

District Attorney of Ventura County 800 South Victoria Ave Ventura, CA 93009

District Attorney of Tehama County P.O. Box 519 Red Bluff, CA 96080

District Attorney of Yolo County 301 Second Street Woodland, CA 95695

District Attorney of Trinity County P.O. Box 1310 Weaverville, CA 96093

District Attorney of Yuba County 215 Fifth Street Marysville, CA 95901

District Attorney of Tulare County 221 S. Mooney Ave, Room 224 Visalia, CA 93291

District Attorney of Tuolumne County 423 No. Washington Street Sonora, CA 95370

San Jose City Attorney's Office 200 East Santa Clara Street San Jose, CA 95113

Los Angeles City Attorney's Office 800 City Hall East 200 N. Main Street Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Avenue #1620 San Diego, CA 92101

San Francisco City Attorney's Office City Hall, Room 234 San Francisco, CA 94102 California Attorney General's Office Attention: Proposition 65 Coordinator 1515 Clay Street, Suite 2000 P.O. Box 70550 Oakland, CA 94612

Nurit Amdur, President* Panline USA, Inc. 251 Union Street Northvale, NJ 07647